

## EASEMENT RESERVATION AGREEMENT

THIS EASEMENT RESERVATION AGREEMENT (Agreement), is made \_\_\_\_\_, 2005, between, the STATE OF MICHIGAN, by the DEPARTMENT OF MANAGEMENT AND BUDGET, whose address is P.O. Box 30026, Lansing, Michigan 48909 (Seller), and \_\_\_\_\_, whose address is \_\_\_\_\_ (Buyer), for the purpose of Seller's easement reservation described in this Agreement.

Seller, by authority of 2002 PA 6, and approval of the State Administrative Board on \_\_\_\_\_, 2005, for good and valuable consideration, to be received in conjunction with the sale of real property located in the Township of Northville, Wayne County, Michigan, as more particularly described in Attachment A (Property) to Buyer, reserves the following easements (collectively "Easement"): (i) for the operation, maintenance, repair, and utilization of, a steam generation facility, steam lines, electric power lines, water wells, a water tower, water lines and related appurtenances (collectively "Utilities"), upon and across the Burdened Parcels (as defined below), for the benefit of the Benefited Parcels (as defined below), located in the Township of Northville, Wayne County, Michigan (collectively, the "Utility Easement"), and (ii) for vehicular and pedestrian ingress and egress to the Burdened Parcels.

### The Burdened Parcels

1. A 30.00 foot wide strip of land in the NW ¼ of section 12, and the NE ¼ of section 11, T1S, R8E, Northville Township, Wayne County, Michigan and more particularly described as commencing at the W ¼ corner of said section 12; thence N86°53'56"E 1341.63 feet, on the E-W ¼ line of said section 12; thence N00°00'00"E 176.01 feet, to the point of beginning and centerline of a 30.00 foot wide strip of land; thence N87°34'46"W 724.24 feet; thence N88°29'57"W 178.35 feet; thence N89°36'33"W 235.77 feet; thence N07°26'51"W 87.98 feet; thence N71°32'49"W 284.28 feet; thence N90°00'00"W 280.00 feet; thence N45°00'00"W 112.95 feet; thence N00°02'08"W 117.67 feet; thence N89°51'03"W 111.38 feet, to a point of ending in the center of the Northville Township meter pit. Caveat: this easement description represents the best effort to locate the position of the water main as it exists between the power plant and the water tower. The description was constructed from locating known points on the water main and from dimension scaling. (Power House to Water Tower)
2. A 75.00 foot wide strip of land Commencing at the E ¼ corner of section 12, T1S, R8E, Northville Township, Wayne County, Michigan; thence S86°48'28"W 1384.06 feet, on the E-W ¼ line of said section 12; thence N01°37'45"E 59.60 feet, to the point of beginning of a 75.00 foot wide strip of land, 30.00 feet northerly and 45.00 feet southerly of the following described line; thence S87°07'44"W 730.32 feet; thence N84°27'27"W 200.27 feet; thence N74°03'57"W 198.91 feet; thence N68°10'33"W 396.66 feet; thence N80°01'54"W 206.15 feet; thence S89°19'04"W 991.45 feet, to a point of ending. (Hawthorn Center to Power Plant)
3. 40.00 foot wide strip of land in the NW ¼ of section 12, and the NE ¼ of section 11, T1S, R8E, Northville Township, Wayne County, Michigan and more particularly described as commencing at the W ¼ corner of said section 12; thence N86°53'56"E 1341.63 feet, on the E-W ¼ line of said section 12; thence N00°00'00"E 399.04 feet, to the point of beginning and centerline of a 40.00 foot wide strip of land; thence S89°36'01"W 430.81 feet; thence 50.91 feet, on the arc of a curve to the left with a central angle of 27°27'50", a radius of 106.21 feet, and a long chord bearing and distance of S70°18'58"W 50.42 feet; thence S50°38'10"W 197.62 feet; thence 46.68 feet, on the arc of a curve to the right with a central angle of 37°15'52", a radius of 71.77 feet and a long chord bearing and distance of S76°11'28"W 45.86 feet; thence N70°40'23"W 509.71 feet; thence 161.12 feet, on the arc of curve to the right with a central angle of 19°58'53", a radius of

462.00 feet, and a long chord bearing and distance of N58°37'45''W 160.30 feet; thence S84°25'22''W 222.20 feet; thence N88°50'55''W 433.38 feet; thence N02°39'01''E 206.96 feet, to a point of ending. (Power Plant to Water Tower)

#### The Benefited Parcels

1. A parcel of land in the NE 1/4 of Section 12, T1S, R8E, Northville Township, Wayne County, Michigan and more particularly described as commencing at the E 1/4 corner of said Section 12; thence S86°48'28"W 60.09 feet on the E-W 1/4 line of said Section 12 to the point of beginning of this description; thence S86°48'28"W 1323.96 feet on said E-W 1/4 line; thence N01°37'45"E 942.94 feet; thence N36°47'34"E 1001.88 feet; thence N90°00'00"E 695.16 feet to the west right of way of Haggerty Road; thence S00°00'12"W 1671.14 feet on said right of way to the point of beginning. (Hawthorn Center)
2. A parcel of land in the NW 1/4 of section 12, T1S, R8E, Northville Township, Wayne County, Michigan and more particularly described as commencing at the W 1/4 corner of said section 12; thence N86°53'56"E 1341.63 feet, on the E-W 1/4 line of said section 12 to the point of beginning of this description; thence N00°00'00"E 415.61 feet; thence N89°19'04"E 475.75 feet; thence S00°00'00"W 395.50 feet, to said E-W 1/4 line; thence S86°53'56"W 476.41 feet, on said E-W 1/4 line to the point of beginning. (Power Plant Site)
3. A parcel of land in the NE 1/4 of section 11, T1S, R8E, Northville Township, Wayne County, Michigan and more particularly described as commencing at the E 1/4 corner of said section 11; thence N00°09'41''E 755.08 feet, on the east line of said section 11; thence N90°00'00''W 478.39 feet, to the point of beginning of this description; thence S02°39'01''W 78.85 feet; thence N87°00'56''W 102.55 feet; thence N02°39'01''E 78.85 feet; thence S87°00'56''E 102.55 feet, to the point of beginning. (Water Tower Site)

#### The Easement

This Easement is reserved subject to the following terms and conditions which Buyer and Seller accept and agree to comply with:

1. The Easement will be for a term ending upon the earlier of:
  - (i) the date the Easement is canceled by the Seller pursuant to a 60 days prior written notice of cancellation delivered to Buyer and LandAmerica Financial Group, Inc, Escrow Agent for the Parties, together with such notice of cancellation Seller shall deliver to Buyer and Escrow Agent, a document in recordable form evidencing the termination of the Easement, or
  - (ii) The date that is \_\_\_\_\_ (\_\_\_) years after the date of this Agreement.
2. Seller is responsible, during the term of the Easement, for all costs of operating, maintaining, repairing and utilizing the Utilities on the Easement, including current insurance coverage, but excluding the portion of the real property taxes which would be allocated to the Property located within the Easement.
3. Except for the Power Plant Site, Buyer will pay all real property taxes on the Burdened-Parcels, including property taxes attributable to the portion of the Property located within Easement, without reimbursement from Seller for taxes paid for the Easement portion.
4. To the extent permitted by law, Seller is responsible for claims and suits on account of injuries to persons or property arising out of the Seller's exercise of the reserved easement rights provided in this Agreement; provided, however, that the Seller will have no liability for claims and suits arising out of the Buyer's acts or omissions. The inclusion of this provision in this Agreement is not intended, nor shall be construed, as the Seller's waiver of governmental immunity.
5. Buyer may use, develop, and enjoy the Burdened Parcels, so long as the Buyer's use, development, and enjoyment does not interfere with the purpose of the Easement, which purpose is access to, operation, maintenance, repair, and utilization and separation of, the Utilities and Power Plant Site located on, or adjacent to, the Burdened Parcels, and which service the Hawthorn Center and power plant operations.

6. Buyer, with the prior written consent of the Seller and at the Buyer's expense, may relocate the steam and/or water facilities on the Burdened Parcels so long as such relocation does not materially interfere with Seller's utilization or separation of the steam and-water facilities.

7. Prior to the termination of the Easement for any reason Seller may, but will have no obligation to remove, the steam and/or water facilities from the Burdened Parcels, all at its sole cost and expense. In the event Seller exercises its rights under this Section 7, Seller shall be required to repair any damage to the Burdened Parcels caused by the removal of the steam and/or water facilities.

8. Buyer accepts this Easement reservation and acknowledges that it is subject to all easements, permits, licenses, leases and other rights existing or pending at the time of Seller's reservation of this Easement.

9. Seller shall maintain the Easement and its appurtenances in good repair and take reasonable precautions to prevent any damage to the Burdened Parcels arising from Seller's, its employees, agents and contractors use or access to the Easement. In the event any portion of the Property owned by Buyer, its successors or assigns, is damaged a result of the acts or omissions of Seller, its agents, employees, or contractors in connection to utilization, operation or separation of the Utilities as permitted in this Agreement prior to termination of the Easement, Seller agrees to promptly repair and restore such property to a condition as good as existed as of this Agreement.

10. Until terminated pursuant to Section 1 above, the Easement described in this document is for the use and benefit of the Benefited Parcels. The Easement shall be an appurtenance to the Benefited Parcels, shall run with the land and be an interest in realty.

11. Any amendments to this Agreement shall be in writing, signed by both Parties, and recorded with the Wayne County Register of Deeds.

The terms and conditions of this Agreement shall be binding upon the transferees, successors and assigns of the respective

12. Notices shall be in writing and shall be deemed to have been sufficiently given for all purposes: (a) when delivered personally, (b) on the day deposited in the U.S. mail, by registered or certified mail, return receipt requested, postage prepaid, (c) on the day sent by facsimile during normal business hours, or (d) on the next business day after deposit with a nationally recognized overnight courier service, addressed as follows:

To Seller:

State of Michigan  
Department of Management and Budget,  
Tenant and Land Services  
Cass Building, First Floor  
320 S. Walnut Street  
Lansing, Michigan 48933  
Attn: Mr. Thomas F. Saxton and Ms. Terri Fitzpatrick

To Buyer:

or at such other address as a party may from time to time designate by notice in writing to the other party.

13. This Agreement shall be construed, interpreted, and enforced under the laws of the State of Michigan.

14. This Agreement may be executed in several counterparts, each of which may be deemed an original, and all of such counterparts together shall constitute one and the same Agreement.

15. This Agreement, and Escrow Agreement between the Parties dated \_\_\_\_\_, 2005 and incorporated by reference into this Agreement, constitute the entire agreement between the Parties relating to the Easement reservation. In the event of a conflict between the two, the terms of the Escrow Agreement control.

SIGNATURE PAGES TO FOLLOW

SELLER:  
State of Michigan, by its  
Department of Management and Budget

\_\_\_\_\_  
By: Mitch Irwin  
Its: Director

State of Michigan        )  
                                  )  
County of                 )

This instrument was acknowledged before me on \_\_\_\_\_, 2005 by Mitch Irwin, the Director of the Department of Management and Budget, on behalf of the State of Michigan.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed or typed

Notary Public, State of Michigan, County of \_\_\_\_\_

Acting in the County of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

BUYER:

By:  
Its:

State of Michigan

County of

)

)

This instrument was acknowledged before me on \_\_\_\_\_, 2005, by \_\_\_\_\_,  
\_\_\_\_\_, the \_\_\_\_\_, of \_\_\_\_\_, a  
\_\_\_\_\_.

Signature

Printed or typed

Notary Public, State of Michigan, County of \_\_\_\_\_

Acting in the County of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

Drafted By:

Assistant Attorney General  
Department of Attorney General  
State Operations Division  
P.O. Box 30754  
Lansing, MI 48909  
Tel. (517) 373-1162

After Recording, Return To:  
State of Michigan  
Dept. of Management & Budget  
Strategic Asset Management  
P.O. Box 30026  
Lansing, MI 48909

This Instrument Is Exempt From Real Estate Transfer Taxes  
Pursuant To Section 5(h) of 1966 PA 134, MCL 207.505(h),  
and Section 6(h)(i) of 1993 PA 330, MCL 207.526(h)(i)